MEMORANDUM FOR: DIRECTOR

We have long considered certain centract agents as independent contractors. If we are correct, they are not subject to the prohibitions applying to appointment of retired officers. Army has made a test case on one contract agent and will not accept our opinion as controlling. The question has been discussed with the General Counsel to the Comptroller General who, while expressing doubt, orally approved our position as necessary to our business. Army has refused to accept this informal approval and will accept only a written opinion. Since the question has broad application, we have prepared the attached request for the Comptroller General's ruling in general terms. Consideration of the question and any opinion would be on a classified basis. Recommend signature.

DRM RO. 10.101 JAN 1952

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